

the objection is to allow all and sundry to come in and probably fifty to seventy-five millions bushels of grain will be handled on the market in the course of a few days when there was really not a bushel of wheat actually sold and purchased, as was the case last year. I venture to say that not an elevator company that sold any wheat on that market when that particular trade was made thought that these losses would be made good. I would like it to be made clear just who is going to be recouped for any losses, and what is going to be done with the profits. There might be handsome profits made in the meantime.

Sir GEORGE FOSTER: There is this consideration: the area of trading this year will certainly not be so wide as in normal times because of the conditions. The opening of the grain markets in the United States at a later date and dealing in options only of December, as seems to be the idea at the present time, will not offer a very extended area for trading. It will be mainly trading in Canada upon the exchange itself between its members and between the wheat buyers and the farmers. There is this other consideration: any man knows when he makes his trade that if he does not protect himself by honest and reasonable trading he will have to bear his own losses. I cannot conceive of any one on the strength of the mere contingency that the Wheat Board may be brought into operation, and with it some machinery by which losses can be adjusted, will therefore go into a speculative adventure. The strong probabilities are that he would have to bear his own losses, and therefore he would be just as careful in the one case as in the other. I will get the information for my hon. friend.

Mr. MACLEAN (South York): It does not seem to me fair that the loss, if any, is to be borne by the country in view of the fact that the country is also to attend to the financing.

At six o'clock the committee took recess.

After Recess.

The committee resumed at Eight o'clock.

Mr. CRERAR: I notice that the amendment provides for the issuing of licenses. Will the minister be good enough to explain why power to issue licenses is required by the wheat board and whether or not there is danger of conflict with the Board of Grain Commissioners?

[Mr. Maharg.]

Sir GEORGE FOSTER: These powers have been given to and used by the present wheat board from the time they commenced their operations. It is simply to provide the machinery by which they can carry out the powers with which they have been endowed. They could not do that without a system of licenses.

Mr. ROBB: Paragraph (j) reads:

To prohibit the export out of Canada or the importation into Canada of any wheat or wheat products otherwise than in accordance with the regulations or orders of the board.

This broadens the powers that different boards in Canada have had from time to time since an Order in Council was passed in 1917 giving to Canada the right and privileges of reciprocity, so that if the board is established under this legislation and continues this year as they did last year and by the Food Control Board of previous years, there will be a continuation of the efforts, if I may use the word, of the Government to destroy the much-boasted benefits of reciprocity in wheat between Canada and the United States. The minister will admit, I am sure, that if we prevent the importation into Canada of wheat products, that automatically will deprive our own people of the benefits of reciprocity and of sending our wheat into the United States markets.

Sir GEORGE FOSTER: The intention is not at all to interfere with reciprocal relations between the United States and Canada. The probabilities are that even if the wheat board be again called into operation the power may never have to be used so far as importations from the United States are concerned,—as, indeed, it was not used by the wheat board last year, at least, to such an extent as to go counter to the reciprocity dealings between the two countries. It is simply a preventive measure which may be used under certain circumstances and which will not be used unless it becomes necessary. With reference to the export of wheat and flour, of course, that is vital to the work of the wheat board, because if it undertakes to buy and to sell under its own system there is no proper way it can do that except by a system of licenses. It must have the power to grant or to refuse.

Amendment agreed to.

Sir GEORGE FOSTER: I want to go back to clause (c), and to add after the word "storage" the following words: